Pre-determined Allocations (PDAs)
Definitions

- **Point Operator** acts as agent, or controls the upstream or downstream facilities on the pipeline, where physical custody transfers occur.

- **Upstream Entity** is the entity identified by BA Abbr (Business Associate Abbreviation) for the Service Requester source of supply at a receipt location.

- **Shippers** must have warranty of title to transport or exchange gas. The Service Requester may have legal authority to transport as an agent on behalf of another Service Requesters.
Pre-determined Allocations (PDAs) provides a methodology for customers to prioritize how measurement is allocated to contracts at a meter or group of meters (i.e LDC).

- Allows a customer to specify an allocation scheme that satisfies their business process.

- Provided at different levels to address the needs of operators, shippers and upstream entities (TE & OGT only).

- Identifies parties responsible for imbalances.

- Provides a method to finalize the allocation process.
PDA Creation

- Current Month PDAs
  - PDA records associated with timely nominations are created approximately 15 minutes after a nomination is scheduled.
  - PDAs associated with intraday nominations are not created until the nomination has been confirmed and has been validated by the next batch validation process. Once the nomination has passed validations, PDA records are available within 15 minutes.

- Future Month PDAs
  - Eighth work day before the end of the month, a batch process creates PDA records with default rankings.

- PDA effective period
  - A PDA will be effective for the term specified by customer in LINK® in one month increments.
• From the menu, select Flowing Gas, Pre-determined Allocation.
• Applicable security is needed to inquiry and/or update a PDA.
PDA Screen – Top Menu

- **Entity** – Allows agent users to navigate between entities for which they are agent

- **Contract** - Allows agent users to navigate/ change contract they have access to

- **Retrieve** – Once the PDA TT, Loc Prop and Beg and End Date are selected/entered, click on the “Retrieve” button or hit the “Enter” key to retrieve all the line items for the selected location and date range.

- **Clear** - Removes all data from fields.

- **Assign** – The Assign button is enabled when the “Alloc Methd” (Allocation Methodology) is set to “Pro-rata” and “Alloc Rank Ind” (Allocation Rank Indicator) is set to “Both”. Clicking on “Assign” will populate 10 in Alloc Rank Lvl Low” (Allocation Rank Level Low), “Alloc Rank Lvl High” (Allocation Rank Level High), “Def Lvl Low” and “Def Lvl High” data fields.

- **Submit** - Saves and commits entries.
• **The Beg Date** will default to the current gas day.

• **The End Date** will default to the last day of the month in which the Beg Date falls.
  – The date can be changed to be the same date as the Beg Date or greater, but cannot cross months.

• PDA data for dates prior to current day can be viewed from this screen but not updated.
### Meter Direction

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Level of Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipt</td>
<td><strong>Point Operator (Receipt Operator)</strong></td>
<td>Upstream Name and Upstream Contract</td>
</tr>
<tr>
<td>Delivery</td>
<td><strong>Point Operator (Delivery Operator)</strong></td>
<td>Service Requester Contract</td>
</tr>
<tr>
<td>Receipt</td>
<td><strong>Upstream Entity (TETLP &amp; OGT) (Upstream Entity)</strong></td>
<td>Service Requester Name</td>
</tr>
<tr>
<td>Receipt</td>
<td><strong>Service Requester (Receipt Shipper)</strong></td>
<td>Service Requester Contract/Activity</td>
</tr>
<tr>
<td>Delivery</td>
<td><strong>Service Requester (Delivery Shipper)</strong></td>
<td>Service Requester Contract/Activity</td>
</tr>
</tbody>
</table>
• Data fields will only display certain data from customers nominated activities at a location based on the PDA TT selected.

• Customer may want to use the Grid Preference to hide columns where data fields do not display.
• User may customize the PDA screen by going to “Screen Preferences” Icon 🖋️ > Customize Layout
• Customize Layout option.
  – Allows customer to hide columns with one click of the column which will change to a red color
  – Allows customers to move columns by grabbing the column and sliding it to the desired space, and
  – Allows customers to reset column order back to original state with a click on “Reset Column Order”.

[Image of PDA screen showing customization options]
The PDA TT has to be selected before the Location (Loc) box is enabled.
Enter the Location number.
If Location number is not known, double click in the Loc box and a Location List screen will be displayed.
Enter criteria and click on search
  – Put cursor on location and click select.
Alloc Rank (Lvl Low) prioritizes the order of allocations when measurement volumes are less than scheduled volumes.

 Alloc Rank (Lvl High) prioritizes allocations when measurement volumes are greater than scheduled volumes.

 Limit Value (High) defines the maximum volume in excess of a nomination’s scheduled volume that can be allocated to a transaction.

 Limit Value (Low) will allow any measurement less than scheduled on the delivery side to be allocated an injection into a storage contract.

Texas Eastern defaults both the receipts and deliveries to 999 “Alloc Rank Lvl Low” and “Alloc Rank Lvl High”. All other business units, the delivery defaults are specific to rate schedules and direction of flow while the receipt defaults are 999.
There are four types of allocation methodology types:

- **Ranked**
- **ProRata**
- **Percentage (TE, OGT & OGG only)**
- **Swing**

Note: The **PDA TT**, **Loc** and **Beg and End Date** has to be selected/entered before the “Alloc Methd” box is enabled.

**Examples and Explanation of each allocation method in slides to follow**
PDA Allocation Methodology - Ranked

- PDA schema where scheduled quantities are assigned values to prioritize allocations of measured volumes.

- Scheduled quantities are prioritized using values assigned by the customer to “Alloc Rank Lvl Low” and “Alloc Rank Lvl High” fields.

- Customer must enter values greater than 0, but less than 900. The same value can be assigned to more than one line item

- Value of 999 can not be assigned as this is the default used by the system.

- Customer should consider entering values in increments of 10 (where appropriate) so that new schedule quantities can be integrated into the PDA schema.

- Lower value entered will be allocated first during the allocation process.
To create a Ranked PDA click on “Alloc Methd” drop down select “Ranked” and “Alloc Rank Ind” drop down select either Low, High, or Both.

Enter Rank values (lowest value to highest value with the lower value being allocated first.)

Enter a “Def Lvl Low” and “Def Lvl High” and/or “Pct Limit Value” for new schedule quantities.

Click submit to commit changes.
PDA Allocation Methodology - Pro-rata

- This type of PDA schema allocates measured volumes based on schedule quantities assigned to each Service Requester contract.

- Calculation is simply the scheduled quantities of the specific contract or activity divided by the sum of scheduled quantities multiplied by the measured volume at a location. Please note that this can be combined with ranked allocations.
The default “Alloc Methd” is “ProRata”

Nothing needs to be done in the PDA screen to select this default method
• “Alloc Methd” drop down select “ProRata” and “Alloc Rank Ind” drop down select “Both”.
• Clicks the “Assign” button.
• System assigns 10 in the “Alloc Rank Lvl Low” and “Alloc Rank Lvl High” and 10 in the “Def Lvl Low” and “Def Lvl High”.
• Click submit to commit changes.
PDA Allocation Methodology - Percentage

- PDA schema where each customer receives a percentage of the measured volumes at the location.

- Percentages can be entered up to 4 decimals.

- Percentages must total 100% at the location.
• “Alloc Methd” drop down select “Percentage”
• Enter in PDA Pct (up to four decimal places) for each Entity up to a total of 100%.
PDA Allocation Methodology - Swing

- PDA schema used to direct imbalances. Can be used to direct imbalances to OBA or Storage contracts.

- **OBA Swing**
  - Only one OBA swing designation can be assigned for an individual gas day.
  
  - The OBA (ETN refer as LMSPA, LMSMA, & LMPL) is identified by assigning 900 “Alloc Rank Lvl Low” and 10 “Alloc Rank Lvl High” value with other contracts receiving a 10 “Alloc Rank Lvl Low” and 0 “Alloc Rank High”.
  
  - The system will automatically populate a 10 “Def Lvl Low” and 0 “Def Lvl High” boxes at the bottom of the Pre-determined Allocation Screen and it will assign these values to any new nominations.
  
  - OBAs must be updated on both the Receipt Operator and Delivery Operator levels, and on the same contract, in order for allocations to function correctly.
• **Storage Swing**

  – Customer assigns the storage swing contract 900 “Alloc Rank Lvl Low” and 10 “Alloc Rank Lvl High” to the fields of the contract the imbalance should be applied to. Once the 900 “Alloc Rank Lvl Low” and 10 “Alloc Rank Lvl High” has been applied the other contract will automatically be set to 10 “Alloc Rank Lvl Low” and 1 “Alloc Rank Lvl High”.

  – Additional layers of swing can be combined with a limit value.

  – The system will automatically populate a 10 “Def Lvl Low” and 1 “Def Lvl High” boxes at the bottom of the Pre-determined Allocation Screen and it will assign these values to any new nominations.

  – Storage Swings need to be updated on both the Receipt Operator and Delivery Operator levels, and on the same contract, in order for allocations to function correctly.
• Select “Swing” from the “Alloc Methd” drop down and “Both” from the “Alloc Rank Ind” drop down.

• Enter 900 “Alloc Rank Lvl Low” and 10 “Alloc Rank Lvl High” on the OBA contract. System will automatically apply the 10 “Alloc Rank Lvl Low” and 0 “Allocation Rank Lvl High” on all other contracts once the OBA swing contract has been set.

• Entries must be made on both the receipt and delivery side of the Loc Prop.

• Click submit to commit changes
Alloc Methd: SG – Swing (Storage Setup Example)

- Select “Swing” from the “Alloc Methd” drop down and “Both” from the “Alloc Rank Ind” drop down.

- Enter 900 “Alloc Rank Lvl Low” and 10 “Alloc Rank Lvl High” on the storage contract. System will automatically apply the 10 “Alloc Rank Lvl Low” and 1 “Allocation Rank Lvl High” on all other contracts once the Storage swing contract has been set.

- Entries must be made on both the receipt and delivery side of the Loc Prop.

- Click submit to commit changes
Once the **PDA TT, Loc Prop, Beg Date, End Date** and **Alloc Method** is selected/entered then the **Alloc Rank Ind** needs to be selected.

- **High** applies rankings to the “Alloc Rank Lvl High”.
- **Low** applies rankings to the “Alloc Rank Lvl Low”.
- **Both** applies rankings to both “Alloc Rank Lvl Low” and “Alloc Rank Lvl High”.

**Allocation Rank Indicator only** applies to **Ranked and Swing** allocations.
These values are used to define the maximum volume in excess of a nomination’s scheduled volume that can be allocated to a transaction. There must be a Limit Value on the highest rank (“Alloc Rank Lvl High”) in order for any subsequent Limit Values to be considered when allocating measured volumes.

The allocation process will allocate based on the “Alloc Rank Lvl High” starting with the smallest ranking. Once it allocates all scheduled quantities it goes back to the HIGHEST rank in the “Alloc Rank Lvl High” to verify if a Limit Value exists. If a limit value exists then it will additionally allocate up to the limit value for that record. If the limit value is met then it will precede to the next lowest rank to verify if a Limit Value exists.

There has to be at least one contract on the PDA screen that does not have a limit value in order to take any swing volume above the limit values entered.
Customer can enter a value in the “Def Lvl Low” and “Def Lvl High” and the system applies these values to any new nominations.

“Def Lvl Low” and “Def Lvl High” does not validate on dates. Once entered, it carries forward.

Customer does not have to submit for the “Def Lvl Low” and “Def Lvl High” to be accepted.

Customer enters -0- in the “Def Lvl Low” and “Def Lvl High” it will assign -0- to any new nominations.

If a value is not entered in the “Def Lvl Low” and “Def Lvl High”, the system will apply the default 999 in the “Alloc Rank Lvl Low” and “Alloc Rank Lvl High” to any new nominations.
• Only available at the Receipt and Delivery Operator levels.

• Customer can enter a “Pct Limit Val” and the system will calculate a new limit value when an associated scheduled quantity is changed. The new limit value calculation is percentage entered multiplied by the new scheduled quantity.

• Customer can check any or all boxes following the “Pct Limit Val” data field and the system will apply as follows:

  – Firm Trans K is checked, it applies the Pct Limit Val percentage to Firm Transportation Contracts only.
  – Storage K is checked, it applies the Pct Limit Val percentage to Storage Contracts only.
  – Oper Only is checked, it applies the Pct Limit Val percentage to contracts where the contract holder and operator are the same.
  – Zero Nom Lim is checked, it retains last updated limit value when customers’ schedule quantity changes to -0-. 
Please review our Allocation Examples tutorial for further in depth examples